Exhibit 300 (BY2008)

PART ONE	
OVERVIEW	
1. Date of Submission:	2006-11-07
2. Agency:	015
3. Bureau:	45
4. Investment Name:	Electronic Federal Tax Payment System (EFTPS) - Major
5. UPI:	015-45-01-14-01-2471-00

6. What kind of investment will this be in FY2008?
Mixed Life Cycle

7. What was the first budget year this investment was submitted to OMB?
FY2008

8. Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap.
The Financial Management Service (FMS) designates qualified financial institutions as depositaries and service providers to act on behalf of the United States to perform essential banking services. FMS has determined that it is in the interest of the United States to designate a service provider for the Electronic Federal Tax Payment System (EFTPS). EFTPS is a free tax payment system offered by Treasury. Business and individual taxpayers can make Federal tax payments using electronic funds transfer (EFT). EFTPS enables both business and individual taxpayers to pay all their federal taxes electronically via phone, Internet (www.eftps.gov), Fedwire, ACH credit, credit cards, or a third party to initiate tax payments. The EFTPS Treasury Financial Agent (TFA) is the service provider appointed to manage and operate EFTPS, and a secondary TFA entity handles the actual system operations. EFTPS also has a special relationship with the Federal Reserve Bank's (FRB's) Electronic Tax Application which processes all same day Fedwire tax payments, and provides the tax payment specific details to EFTPS. FMS has sole oversight obligations for the EFTPS TFA. The TFA has substantial IT development and is the direct (external) interface with the taxpayer. However, the IRS EFTPS (internal) system does not directly interface with the taxpayer. The IRS EFTPS receives and validates the payment information in a secure environment from the TFA and sends/receives data to other IRS systems for downstream processing. Major Functional Components include: * Enrollment * Payments Customer Service * Fulfillment/Mail Services: * Payment History * Reporting * Batch Provider Interface * Bulk Providers Interface * FRB Interface (Cashtrack and TIP) This multi-function investment directly supports the Government-wide financial management mission of FMS, which is the receipts collection component. FMS' partners in EFTPS are the Internal Revenue Service (IRS), the EFTPS TFA and its secondary TFA entity, financial institutions, and the FRB. IRS payment transactions are received and validated at one Enterprise Computing Center (ECC) and perfected transactions are posted at the IRS master file at a separate ECC. EFTPS was implemented in November 1996. EFTPS is reviewed annually by the FMS IRB (DIO Council) which has participation from the CIO and CFO.

9. Did the Agency's Executive/Investment Committee approve this request?
yes

9.a. If "yes," what was the date of this approval?
2006-08-09

10. Did the Project Manager review this Exhibit?
yes

11. Project Manager Name:
Eilertson, John, Domain POC Dave Vierling

Project Manager Phone:
Domain POC Phone 202-283-5058

Project Manager Email:
Domain POC email david.vierling@irs.gov

12. Has the agency developed and/or promoted cost effective, energy-efficient and environmentally sustainable techniques or practices for this project.

no	
12.a. Will this investment include electronic assets (including computers)?	
yes	
12.b. Is this investment for new construction or major retrofit of a Federal building or facility? (answer applicable to non-IT assets only)	
no	
13. Does this investment support one of the PMA initiatives?	
yes	
If yes, select the initiatives that apply:	
Expanded E-Government	
Financial Performance	
13.a. Briefly describe how this asset directly supports the identified initiative(s)?	
EFTPS supports two PMA strategic goals. It supports "Financial Performance" by allowing IRS and Treasury quicker means to post payments and access to data. It also supports "Expanded Electronic Government" by offering a web portal www.eftps.gov.	
14. Does this investment support a program assessed using OMB's Program Assessment Rating Tool (PART)?	
yes	
14.a. If yes, does this investment address a weakness found during the PART review?	
yes	
14.b. If yes, what is the name of the PART program assessed by OMB's Program Assessment Rating Tool?	
Financial Management Service Payments	
14.c. If yes, what PART rating did it receive?	
Effective	
15. Is this investment for information technology (See section 53 for definition)?	
yes	
16. What is the level of the IT Project (per CIO Council's PM Guidance)?	
Level 2	
17. What project management qualifications does the Project Manager have? (per CIO Council's PM Guidance)	
(2) Project manager qualification is under review for this investment	
18. Is this investment identified as high risk on the Q4 - FY 2006 agency high risk report (per OMB's high risk memo)?	
yes	
19. Is this a financial management system?	
no	
20. What is the percentage breakout for the total FY2008 funding request for the following? (This should total 100%)	

Hardware	0
Software	0
Services	100

21. If this project produces information dissemination products for the public, are these products published to the Internet in conformance with OMB Memorandum 05-04 and included in your agency inventory, schedules and priorities?	
yes	
22. Contact information of individual responsible for privacy related questions.	
Name	
Susan Dennis	
Phone Number	
202-622-5438	

Title
Management/Program Analyst, Privacy Operations, IRS
Email
susan.dennis@irs.gov
23. Are the records produced by this investment appropriately scheduled with the National Archives and Records Administration's approval?
yes

SUMMARY OF SPEND

1. Provide the total estimated life-cycle cost for this investment by completing the following table. All amounts represent budget authority in millions, and are rounded to three decimal places. Federal personnel costs should be included only in the row designated Government FTE Cost, and should be excluded from the amounts shown for Planning, Full Acquisition, and Operation/Maintenance. The total estimated annual cost of the investment is the sum of costs for Planning, Full Acquisition, and Operation/Maintenance. For Federal buildings and facilities, life-cycle costs should include long term energy, environmental, decommissioning, and/or restoration costs. The costs associated with the entire life-cycle of the investment should be included in this report.

All amounts represent Budget Authority

(Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)

	PY-1 & Earlier	PY	CY
	-2005	2006	2007
Planning Budgetary Resources	0.000	0.000	0.000
Acquisition Budgetary Resources	0.000	0.000	4.288
Maintenance Budgetary Resources	0.000	0.000	64.110
Government FTE Cost	0.000	0.000	1.474
# of FTEs	0	0	13

Note: For the cross-agency investments, this table should include all funding (both managing partner and partner agencies).

Government FTE Costs should not be included as part of the TOTAL represented.

2. Will this project require the agency to hire additional FTE's?

no

PERFORMANCE

In order to successfully address this area of the exhibit 300, performance goals must be provided for the agency and be linked to the annual performance plan. The investment must discuss the agency's mission and strategic goals, and performance measures must be provided. These goals need to map to the gap in the agency's strategic goals and objectives this investment is designed to fill. They are the internal and external performance benefits this investment is expected to deliver to the agency (e.g., improve efficiency by 60 percent, increase citizen participation by 300 percent a year to achieve an overall citizen participation rate of 75 percent by FY 2xxx, etc.). The goals must be clearly measurable investment outcomes, and if applicable, investment outputs. They do not include the completion date of the module, milestones, or investment, or general goals, such as, significant, better, improved that do not have a quantitative or qualitative measure.

All new IT investments initiated for FY 2005 and beyond must use Table 2 and are required to use the FEA Performance Reference Model (PRM). Please use Table 2 and the PRM to identify the performance information pertaining to this major IT investment. Map all Measurement Indicators to the corresponding "Measurement Area" and "Measurement Grouping" identified in the PRM. There should be at least one Measurement Indicator for at least four different Measurement Areas (for each fiscal year). The PRM is available at www.egov.gov.

Table 2

Fiscal Year	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvement to the	Actual Results

					Baseline	
1	2006	Processes and Activities	Savings and Cost Avoidance	Reduce FY06 unit cost of a transaction by 2.5%, or $.03.	FY05 unit cost of a transaction is $1.17 (one dollar and seventeen cents).	Compare FY06 unit cost against baseline.	As of May 31, 2006, unit cost of a transaction has been reduced by $.31, a reduction of 37%.
2	2006	Processes and Activities	Productivity	Increase total number of FY06 transactions by 5% to 80.42 million, (5%)	Total number of transaction in FY05 - 76.59 million	Compare FY06 cumulative transaction number to baseline	As of May 31, 2006, the total number of transactions has increased by 5% over the same period in FY05,which is on target for the plan
3	2006	Processes and Activities	Productivity	Increase FY06 online transactions by 10%.	Total number of online transactions in FY05 - 11.28 million	Compare FY06 cumulative online transaction numbers with the baseline.	As of May 31, 2006, the total number of online transactions has increased by 14% over the same period in FY05.
4	2007	Processes and Activities	Savings and Cost Avoidance	Reduce FY07 unit cost of a transaction by 2.5%.	Baseline will be unit transaction cost for FY 06	Compare FY07 unit cost against baseline.	The unit cost for 1st quarter of FY 07 decrease by 2.6%
5	2007	Processes and Activities	Productivity	Increase total number of FY07 transactions by 5%	Baseline will be total transactions for FY 06	Compare FY07 cumulative transaction number to baseline	A total increase of 7.6% was presented on the total transactions for the 1st Qtr of FY07
6	2007	Processes and Activities	Productivity	Increase FY07 online transactions by 5%.	Baseline will be total on-line transactions for FY 06	Compare FY07 cumulative online transaction numbers with the baseline.	A marketing campaign launched during FY06 created an incredible increase of 40.66% of the OnLine Transactions during the 1st Qtr of FY 07

EA
In order to successfully address this area of the business case and capital asset plan you must ensure the investment is included in the agency's EA and Capital Planning and Investment Control (CPIC) process, and is mapped to and supports the FEA. You must also ensure the business case demonstrates the relationship between the investment and the business, performance, data, services, application, and technology layers of the agency's EA.

1. Is this investment included in your agency's target enterprise architecture?

yes

2. Is this investment included in the agency's EA Transition Strategy?

yes

2.a. If yes, provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment.

EFTPS is included in the IRS' As Built Architecture (ABA) and EFTPS functionality is identified in the To Be architecture.

3. Identify the service components funded by this major IT investment (e.g., knowledge management, content management, customer relationship management, etc.). Provide this information in the format of the following table. For detailed guidance regarding components, please refer to http://www.whitehouse.gov/omb/egov/.

Component: Use existing SRM Components or identify as NEW. A NEW component is one not already identified as a service component in the FEA SRM.

Reused Name and UPI: A reused component is one being funded by another investment, but being used by this investment. Rather than answer yes or no, identify the reused service component funded by the other investment and identify the other investment using the Unique Project Identifier (UPI) code from the OMB Ex 300 or Ex 53 submission.

Internal or External Reuse?: Internal reuse is within an agency. For example, one agency within a department is reusing a service component provided by another agency within the same department. External reuse is one agency within a department reusing a service component provided by another agency in another department. A good example of this is an E-Gov initiative service being reused by multiple organizations across the federal government.

Funding Percentage: Please provide the percentage of the BY requested funding amount used for each service component listed in the table. If external, provide the funding level transferred to another agency to pay for the service.

	Agency Component Name	Agency Component Description	Service Type	Component	Reused Component Name	Reused UPI	Internal or External Reuse?	Funding %
1	Data Exchange	EFTPS exchanges data with taxpayers, third parties, IRS, FMS, and the Federal Reserve.	Data Management	Data Exchange			No Reuse	40
2	Data Warehouse	EFTPS stores large amounts of tax payment data.	Data Management	Data Warehouse			No Reuse	4
3	Data Integration	EFTPS organizes data from separate data sources into a single source.	Development and Integration	Data Integration			No Reuse	10
4	Identification and Authentication	EFTPS supports idenitification and validation of all who attempt access.	Security Management	Identification and Authentication			No Reuse	3
5	Credit/Charge	EFTPS supports use of electronic funds transfer for collection of tax payments.	Financial Management	Credit / Charge			No Reuse	5
6	Intrusion Detection	EFTPS utilizes and itegrates security event management for	Security Management	Intrusion Detection			No Reuse	3

		intrusion detection.							
7	Tax Account Management Business Logic	EFTPS manages the electronic capture of taxpayer specific data.	Data Management	Data Exchange			No Reuse		35

4. To demonstrate how this major IT investment aligns with the FEA Technical Reference Model (TRM), please list the Service Areas, Categories, Standards, and Service Specifications supporting this IT investment.

FEA SRM Component: Service Components identified in the previous question should be entered in this column. Please enter multiple rows for FEA SRM Components supported by multiple TRM Service Specifications.

Service Specification: In the Service Specification field, Agencies should provide information on the specified technical standard or vendor product mapped to the FEA TRM Service Standard, including model or version numbers, as appropriate.

	SRM Component	Service Area	Service Category	Service Standard	Service Specification (i.e., vendor and product name)
1	Data Exchange	Service Access and Delivery	Access Channels	Web Browser	
2	Data Exchange	Service Access and Delivery	Access Channels	Other Electronic Channels	
3	Data Exchange	Service Access and Delivery	Delivery Channels	Internet	
4	Identification and Authentication	Service Access and Delivery	Service Requirements	Authentication / Single Sign-on	
5	Data Exchange	Service Access and Delivery	Delivery Channels	Virtual Private Network (VPN)	
6	Data Exchange	Service Access and Delivery	Delivery Channels	Peer to Peer (P2P)	
7	Intrusion Detection	Service Access and Delivery	Service Transport	Supporting Network Services	
8	Data Exchange	Service Access and Delivery	Service Transport	Service Transport	
9	Data Exchange	Service Platform and Infrastructure	Support Platforms	Platform Dependent	
10	Data Exchange	Service Platform and Infrastructure	Support Platforms	Platform Independent	
11	Data Exchange	Service Platform and Infrastructure	Delivery Servers	Web Servers	
12	Data Exchange	Service Platform and Infrastructure	Delivery Servers	Application Servers	
13	Data Warehouse	Service Platform and Infrastructure	Database / Storage	Database	
14	Data Warehouse	Service Platform and Infrastructure	Database / Storage	Storage	
15	Data Integration	Service Platform and Infrastructure	Hardware / Infrastructure	Servers / Computers	
16	Intrusion Detection	Service Platform and Infrastructure	Hardware / Infrastructure	Network Devices / Standards	

17	Intrusion Detection	Component Framework	Security	Supporting Security Services	
18	Data Exchange	Component Framework	Presentation / Interface	Static Display	
19	Data Exchange	Component Framework	Business Logic	Platform Independent	
20	Data Exchange	Component Framework	Business Logic	Platform Dependent	
21	Data Exchange	Component Framework	Data Interchange	Data Exchange	
22	Data Exchange	Component Framework	Data Management	Database Connectivity	
23	Data Integration	Service Interface and Integration	Integration	Middleware	
24	Data Exchange	Service Interface and Integration	Interoperability	Data Format / Classification	
25	Data Exchange	Service Interface and Integration	Interoperability	Data Types / Validation	

5. Will the application leverage existing components and/or applications across the Government (i.e., FirstGov, Pay.Gov, etc)?

no

6. Does this investment provide the public with access to a government automated information system?

yes

6.a. If yes, does customer access require specific software (e.g., a specific web browser version)?

yes

6.a.1. If yes, provide the specific product name(s) and version number(s) of the required software and the date when the public will be able to access this investment by any software (i.e. to ensure equitable and timely access of government information and services).

For the FMS portion of EFTPS, EFTPS-OnLine has been in production since September 2001. EFTPS On-Line (version 1.5) is a web based tax payment system. The user is required to have either Netscape Navigator 4.7 (and higher version) or Microsoft Internet Explorer 5.0 (and higher version). The IRS portion of EFTPS does not provide for public access.

PART TWO

RISK

You should perform a risk assessment during the early planning and initial concept phase of the investment's life-cycle, develop a risk-adjusted life-cycle cost estimate and a plan to eliminate, mitigate or manage risk, and be actively managing risk throughout the investment's life-cycle.

Answer the following questions to describe how you are managing investment risks.

1. Does the investment have a Risk Management Plan?

yes

1.a. If yes, what is the date of the plan?

2006-06-30

3. Briefly describe how investment risks are reflected in the life cycle cost estimate and investment schedule: (O&M investments do NOT need to answer.)

Costs and schedule are already adjusted to reflect risks.

COST & SCHEDULE

Does the earned value management system meet the criteria in ANSI/EIA Standard 748?

no

What costs are included in the reported Cost/Schedule Performance information?

Contractor and Government
2.e. As of date:
2006-06-30
7.b. If yes, explain the variance.
EFTPS is reporting as a Non-Major for FY06. The combined IRS and FMS EFTPS milestones are being finalized for this E-300 submittal. IRS PA&R is developing the standard and template for IRS integrated baselines. EFTPS will follow IRS and FMS standards for Integrated Baseline in Q1 FY07.
7.c. If yes, what corrective actions are being taken?
Not applicable at this time. This investment is within cost and schedule variance. Please refer to Non-Major Control form for IRS EFTPS FY06 Reporting.
8. Have any significant changes been made to the baseline during the past fiscal year?
no